

MITCH McCONNELL
KENTUCKY

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WASHINGTON, DC 20510-1702
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AL-14-000-9997

United States Senate

REPUBLICAN LEADER

COMMITTEES:
AGRICULTURE

APPROPRIATIONS

RULES AND ADMINISTRATION

May 12, 2014

The Honorable Gina McCarthy
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, D.C. 20460-0007

Dear Administrator McCarthy:

I am writing on behalf of the Kentucky Chamber of Commerce, of which has contacted me regarding the Renewable Fuel Standard (RFS) and the establishment of a voluntary Quality Assurance Program (QAP) within the program. I would appreciate your timely review and response to this organization's questions and concerns.

I have enclosed a copy of my constituent's correspondence, for your information. Please direct any inquiries and all relevant information to Ms. *EXEMPT b* in my Washington, D.C. office.

Thank you for your time and assistance. I look forward to receiving your response.

Sincerely,



MITCH McCONNELL
UNITED STATES SENATOR

MM/bd



Kentucky Chamber

Uniting Business. Advancing Kentucky.

April 28, 2014

The Honorable Mitch McConnell
5-230 U.S. Capitol
Washington, DC 20510

Dear Senator McConnell:

On behalf of the Kentucky Chamber of Commerce, representing the business interests of over 90,000 Kentucky-based companies, we write you in support of the Environmental Protection Agency ("EPA") and the Office of Management and Budget ("OMB") finalizing a transparent rule that would establish a voluntary Quality Assurance Program ("QAP") for the federal Renewable Fuel Standard ("RFS"). We are aware of several Kentucky-based companies, including Genscape, a member of the Kentucky Chamber of Commerce, where a transparent and equitable rule would benefit in helping them create jobs in the Commonwealth.

There have been high-profile incidences of fraud and abuse in the RFS program, and this has resulted in less liquidity and transparency in the marketplace. A well-structured voluntary QAP program benefits taxpayers by reducing fraud and promoting efficiency in a manner that helps all stakeholders in the fuels marketplace. It is our understanding that EPA to date has worked constructively with stakeholders to establish the foundation of a solid QAP program on an interim basis, and there are many positive aspects to what EPA outlined in the proposed rule. Genscape, as a leading QAP provider in the marketplace, is employing tamper-proof, proprietary technology that provides the optimal way to combat fraud in a cost-effective manner by providing real-time, ongoing monitoring of the activities at a biofuel facility.

However, as EPA and OMB finalize the QAP rulemaking, there are two issues of concern to the Chamber. First, it is vital the program be strengthened in a manner that allows the use of tamper-proof, ongoing or real-time monitoring technology to meet the program's requirements. In instances where technology is not used to monitor the activities of a biofuels production facility on an ongoing basis, then no less than quarterly in-person audits should be required to preserve program integrity. In addition, it is vital that QAP providers, who serve the role of third party auditors under the program, be truly independent and free of financial conflicts of interest. Specifically, QAP providers who serve the role of auditors under the program should not be allowed to buy and sell the renewable identification numbers ("RINs") they are validating under the QAP program.

Addressing these issues in the final QAP rule would strengthen the program and effectively combat fraud in a manner that enhances liquidity and transparency for stakeholders in the fuels marketplace. As EPA and OMB move forward with finalizing the QAP rule, we would encourage you to support these improvements to the QAP program.

Thank you in advance for your consideration and attention to this issue of importance.

Sincerely,

A handwritten signature in black ink, appearing to read "Chad A. Harpole". The signature is stylized with large, flowing loops and a long horizontal stroke at the end.

Chad A. Harpole
Vice President, Government Affairs
Kentucky Chamber of Commerce



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

AUG 14 2014

OFFICE OF
AIR AND RADIATION

The Honorable Mitch McConnell
United States Senate
Washington, D.C. 20510

Dear Senator McConnell:

Thank you for your May 12, 2014, letter on behalf of the Kentucky Chamber of Commerce to U.S. Environmental Protection Agency Administrator Gina McCarthy regarding the proposed voluntary Quality Assurance Plan (QAP) program under the Renewable Fuel Standard (RFS) program. We appreciate the Chamber's support of the QAP program. The Administrator has asked me to respond to you on her behalf.


Since we received your letter, the Agency finalized the voluntary QAP program for verifying the validity of renewable identification numbers (RINs). The final rule, which was published in the *Federal Register* on July 18, 2014, will allow regulated parties to purchase RINs validated and verified by independent third parties according to an EPA-approved QAP. Regulated parties that purchase validated RINs would, under certain conditions, not be liable for civil penalties for transferring or using RINs later found to be invalid. The program specifies when invalid RINs must be replaced with valid RINs, and who is required to replace them. The voluntary QAP program was designed and developed through a public notice and comment process to level the playing field among large and small producers of renewable fuels. The program is expected to enable smaller renewable fuel producers to demonstrate that their RINs are valid, thus reducing the risk that some regulated parties believe is associated with such RINs.

The Kentucky Chamber of Commerce listed two specific concerns regarding the proposed QAP program in its letter. First, the Chamber said it was vital for the QAP program to allow ongoing or real-time monitoring of renewable fuel production facilities to meet the program's requirements. The EPA agreed with comments like this and incorporated the ability for auditors to use ongoing monitoring into the final rulemaking to meet certain program requirements.

Second, the Chamber noted that auditors under the QAP program should not be allowed to buy and sell the RINs that they validate under the QAP program. The Agency agreed with these comments as well and strengthened the language and requirements in the final rule regarding conflicts of interest. In the final rule, auditors are not allowed to buy or sell any RINs as this could lead to a potential conflict of interest that could inhibit an auditor's ability to effectively implement a QAP.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Patricia Haman in the EPA's Office of Congressional and Intergovernmental Relations at haman.patricia@epa.gov or (202)564-2806.

Sincerely,

A handwritten signature in black ink, appearing to read "Janet G. McCabe", with a stylized flourish at the end.

Janet G. McCabe
Acting Assistant Administrator

ROY BLUNT
MISSOURI

VICE CHAIR, SENATE REPUBLICAN CONFERENCE

260 RUSSELL SENATE OFFICE BUILDING
WASHINGTON, DC 20510-2508
202-224-5721

AL-14-000-8056

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
APPROPRIATIONS

ARMED SERVICES

COMMERCE, SCIENCE
AND TRANSPORTATION

RULES AND ADMINISTRATION

March 18th, 2014

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
Ariel Rios Building, Mail Code: 1001A
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator McCarthy,

I am writing in regard to the Environmental Protection Agency's (EPA) recently proposed New Source Performance Standards (NSPS) for residential wood stoves, announced on January 3rd, 2014. I have serious concerns this rule will hurt small wood stove manufacturers and could make the burning of wood in households prohibitively expensive.

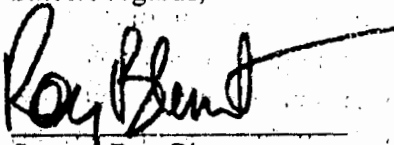
This rule will primarily fall on the backs of small businesses. Of the wood stove manufacturers, only a minority in the industry currently produce wood stoves which meet the proposed standard. Your agency's own estimates have found the rule will result in an annual increase of \$127,000 in new costs for these businesses. It would also affect the many others that participate in the industry such as building supply stores, hardware stores, fire wood suppliers, electric cooperatives and insurance companies.

Most importantly, this rule will directly affect the nearly 12 million U.S. households that use wood heaters as a way to keep their homes warm. Many homeowners find the burning of wood to heat homes to be a reliable and affordable source of fuel.

This Administration has spent considerable effort to promoting renewable sources of energy. Because of this I am surprised the EPA appears to be hampering the wood stove industry, which provides access to an abundant renewable fuel.

As the EPA continues to evaluate and receive feedback for its proposed NSPS for residential wood stoves, I hope you will keep these concerns in mind and listen to those most directly impacted by these regulations. Thank you for your attention to this important issue.

Sincere regards,



Senator Roy Blunt



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUL - 2 2014

OFFICE OF
AIR AND RADIATION

The Honorable Roy Blunt
United States Senate
Washington, D.C. 20510

Dear Senator Blunt:

Thank you for your letter of March 18, 2014 to U.S. Environmental Protection Agency Administrator Gina McCarthy regarding the proposal to update the regulations governing new residential wood heaters. The Administrator asked that I respond on her behalf.

Our proposed updates to the new source performance standards for new residential wood heaters are intended to address significant air pollution in many parts of the nation, by substantially reducing the fine particle pollution of which wood smoke can be a contributing factor. This human health issue is a major concern of numerous states, tribes, and local jurisdictions.

Residential wood smoke can increase fine particulate matter emissions to levels that cause significant health concerns. Each year, smoke from wood heaters accounts for hundreds of thousands of tons of fine particles throughout the country, mostly during the winter months. Nationally, residential wood combustion accounts for 15 percent of noncancer respiratory effects, nearly 25 percent of all air toxics cancer risk from small sources, and 44 percent of total polycyclic organic matter emissions. For many counties, residential wood smoke either causes them to exceed the EPA's health-based national ambient air quality standards for fine particles or places them on the cusp of exceeding those standards. Partly because emissions from wood stoves occur near ground level in residential communities across the country, setting these new requirements for cleaner new stoves would result in substantial reductions in exposure and meaningful improvements in public health.

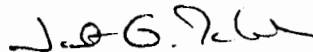
I would like to emphasize that the EPA's proposed regulation would only affect new stoves; existing stoves would not be covered by the rule. As required by Section 111 of the Clean Air Act, the EPA proposes performance standards based on the "best system of emissions reduction" (BSER), considering costs and other impacts. The Clean Air Act also requires the EPA, as we are doing here, to periodically review the standards and update them, as necessary, to reflect current technology.

The EPA's proposed determination is that BSER is already met by a significant portion of the marketplace and is fully demonstrated commercially. Performance has improved considerably since we last set performance standards for new residential wood heaters, and the proposed standards would bring all newly manufactured stoves up to the performance levels that the best systems are already achieving. We expect greater, not less, consumer choice as manufacturers compete in the marketplace to offer the best products.

Furthermore, the health benefits of these proposed regulations are expected to be much greater than the cost to manufacture and use cleaner, lower-emitting appliances. In our initial analysis, we projected annual health benefits of \$1.8 to \$4.2 billion, compared to estimated costs of \$15.7 million. We also forecast that new heaters would see a price increase of between 2 and 6 percent. Our proposal and associated estimates were thoroughly reviewed by the Office of Management and Budget, the Small Business Administration, and other government offices prior to proposal. The comment period on the proposal recently closed, and we are currently reviewing the extensive comments we received.

Again, thank you for your letter. If you have further questions, please contact me, or your staff may contact Kevin Bailey in the EPA's Office of Congressional and Intergovernmental Relations at bailey.kevinj@epa.gov or (202) 564-2998.

Sincerely,

A handwritten signature in black ink, appearing to read "J.G. McCabe", with a stylized flourish at the end.

Janet G. McCabe
Acting Assistant Administrator

CHARLES F. SCHUMER
NEW YORK

AL-14-000-5465

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
BANKING
DEMOCRATIC POLICY & COMMUNICATIONS
FINANCE
JUDICIARY
RULES

February 19, 2014

Ms. Gina McCarthy, Administrator
USEPA Headquarters
1200 Pennsylvania Avenue, N.W.
Mail Code: 1101A
Washington, D.C. 20460

Dear EPA Administrator McCarthy:

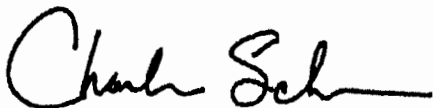
I write to urge you to immediately investigate reports from FAA employees of potential toxic air pollution emanating from the Covanta Waste-to-Energy plant in Westbury, NY. As you know, the Clean Air Act requires that the EPA, in cooperation with State governments, ensure that air quality standards, specifically particulate matter, are met or attained through national standards and that sources of toxic air pollutants are well controlled.

The Federal Aviation Administration's (FAA) New York Terminal Radar Approach Control (TRACON) facility abuts the Covanta Waste-to-Energy plant in Westbury. Approximately 350 employees work at the TRACON facility. Employees report routine white clouds emanating from the plant's stack and drifting through the TRACON facility parking lot. These clouds leave visible white particulate matter on parked vehicles. Employees state that these conditions have been ongoing for more than 5 years.

The white particulate matter is damaging vehicles since it is not easily removable. In addition to vehicle damage, employees are concerned about health risks associated with inhaling these white particles as they walk to and from their car and the facility. I also note that Nassau Community College, Eisenhower Park Golf Course, the Source Mall and the Roosevelt Raceway shopping center are all located within a half mile of the Covanta plant.

Thank you for all of the work you do in protecting our environment and your attention to this critical matter. Should you have any questions, please don't hesitate to contact me or my staff.

Sincerely,



Charles E. Schumer

U.S Senator

CC: EPA Region 2 Administrator Judith Enck



<http://schumer.senate.gov>



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

MAR 21 2014

The Honorable Charles E. Schumer
United States Senate
Washington, D.C. 20510

Dear Senator Schumer:

Thank you for your letter of February 19, 2014 to U.S. Environmental Protection Agency Administrator Gina McCarthy regarding the impacts of emissions from the Covanta waste-to-energy plant in Westbury, New York, which is adjacent to the Federal Aviation Administration's New York Terminal Radar Approach Control facility. The Administrator has asked me to respond. Federal Aviation Administration employees at the facility have reported that a white cloud-like plume coming from the Covanta facility is depositing a white substance on cars in the employee parking lot.

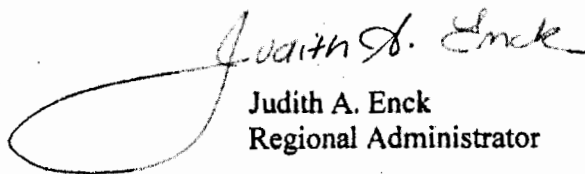
The EPA inspected the Covanta facility on February 20, 2014. The inspectors discussed the source of the potential emissions with employees at the Covanta facility, who indicated that the white cloud-like plume is coming from the cooling tower of the facility. On February 20, 2014, the New York State Department of Environmental Conservation took several bulk samples of the deposited substances from various locations on the Federal Aviation Administration property and upwind of the Covanta facility for laboratory analysis to determine the source and composition of the white particulate matter. On March 11, 2014, the New York State Department of Environmental Conservation took water samples from the cooling tower and the steam plume from the cooling tower and particulate samples from the bag house at the facility. Particulate samples were also taken from a nearby college to establish "background" levels that would be expected in the area.

Based on the composition of the materials sampled, the New York State Department of Environmental Conservation expects to be able to determine whether the source of the deposit is from the cooling tower, the main combustion stack, the ash handling operation or vehicle exhaust emissions. The New York State Department of Environmental Conservation will also assess whether additional air sampling for particulate matter is needed.

In an effort to immediately reduce emissions coming from the cooling tower, on February 19-20, 2014, Covanta began a maintenance program to replace the mist eliminators in the cooling tower that reduce water mist and particulate matter emissions. There are no applicable federal air regulations that apply to the operation of the cooling tower. New York State nuisance requirements, however, do apply.

The EPA will continue to keep Kyle Strobe of your staff informed about the steps Covanta is taking to reduce the emissions and any determinations by the New York State Department of Environmental Conservation. If you have further questions, please contact me at (212) 637-5000, or your staff can contact Mike McGowan, Chief of the Intergovernmental and Community Affairs Branch, at (212) 637-4972.

Sincerely,

A handwritten signature in cursive script, reading "Judith A. Enck". The signature is written in dark ink and is positioned to the left of the printed name and title.

Judith A. Enck
Regional Administrator

AL-14-000-8241

Congress of the United States
Washington, DC 20515

April 8, 2014

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Administrator McCarthy:

The Renewable Fuel Standard (RFS) was established by the Energy Policy Act of 2005, and expanded by the Energy Independence and Security Act of 2007. It requires that fuels sold in the U.S. contain 36 billion gallons of renewable fuels by 2022. Each year the mandate for renewable fuels increases, 18.5 billion gallons of renewable fuels in 2014, 14.4 billion of which is corn-based ethanol.

The goals behind the RFS were well-intentioned, but in 2007, the energy market and our nation's energy landscape were very different than today. The RFS was designed to reduce greenhouse gas emissions, make our nation more energy secure, and provide a reliable domestic source of energy that would lessen energy imports from less stable regions. Today, we are closer to achieving all of those important goals, but not because of the RFS. The 21st century energy renaissance has driven our nation's CO2 emissions near a twenty year low, made us the number one producer of natural gas, and put us on track to become the world's largest producer of oil in the world.

Meanwhile, the mandate is causing unintended harm to the U.S. economy. More than 40 percent of the nation's corn crop is used for ethanol, an increase from nearly 15 percent when the RFS was created. The strong demand for ethanol has resulted in higher prices for corn and higher prices for feed and food, which was especially severe during last year's drought. Last year, the average U.S. family of four faced a \$2,000 increase in food costs due to higher corn prices brought on largely by the RFS.

This year, we are faced with another challenge created by the RFS. While renewable fuel requirements are increasing yearly, gasoline demand in the U.S. is steadily declining. This dynamic has created the E10 blendwall - the point at which more ethanol is required to be blended than can be safely consumed in the United States, due to fundamental constraints of the fueling infrastructure and problems of gasoline engine incompatibility with increased ethanol blends. With a few exceptions, automobiles are built and warranted for a 10% ethanol blend, and the same goes for small engines, such as boats, lawnmowers, and motorcycles. Research by the Coordinating Research Council demonstrates that the engines of at least 5 million vehicles on the road today could be at risk of damage due to E15.

Finally, instead of improving the environment, the RFS has had the opposite impact. The RFS has contributed to the conversion of grasslands and wetlands in order to plant crops, which has increased greenhouse gas emissions. Additionally, according to EPA's lifecycle analysis, corn

Administrator McCarthy
April 8, 2014
Pg. 2


ethanol greenhouse gas emissions in 2012 were higher than gasoline, and will be for years to come. The National Academy of Sciences has noted that overall production and use of ethanol to displace gasoline, also is likely to drive up emissions of other air pollutants, such as particulate matter and ozone.

These unintended consequences associated with the RFS can be averted. We support your recent actions to lower the volumes in your proposed 2014 RFS rulemaking, and we would ask that you stay the course in the final rulemaking and finalize a rule that keeps the volumes below 10% and in line with gasoline market conditions and realities. We strongly urge you to use your administrative authority to take the necessary steps to protect the American consumer and the economy.

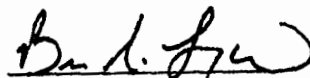
Sincerely,



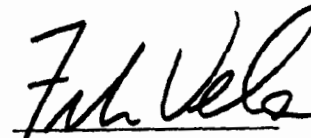
JIM COSTA
Member of Congress



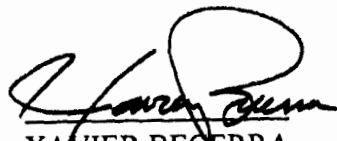
HENRY CUELLAR
Member of Congress



BEN RAY LUJAN
Member of Congress




FILEMON VELA
Member of Congress




XAVIER BECERRA
Member of Congress




TONY CARDENAS
Member of Congress



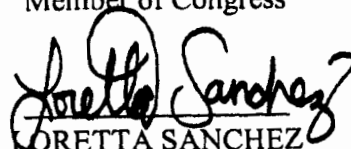
PETE GALLEGO
Member of Congress



RUBÉN HINOJOSA
Member of Congress



LINDA SÁNCHEZ
Member of Congress



LORETTA SANCHEZ
Member of Congress



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN - 3 2014

OFFICE OF
AIR AND RADIATION

The Honorable Jim Costa
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Costa:

Thank you for your letter dated April 8, 2014, to U.S. Environmental Protection Agency Administrator Gina McCarthy regarding the 2014 volume requirements under the Renewable Fuel Standard (RFS) program. The Administrator has asked me to respond to you on her behalf.

On November 29, 2013, the EPA published in the *Federal Register* a proposed rule that would establish the 2014 RFS volume standards. In developing the proposed volumes, the EPA used the most recent data available and took into consideration multiple factors. Our analysis included an evaluation of both the expected availability of qualifying renewable fuels as well as factors that, in some cases, limit supplying those fuels to the vehicles and equipment that can consume them. On the basis of our analysis, we proposed to reduce the required volumes from statutory levels for 2014 for cellulosic biofuel, advanced biofuel, and total renewable fuel. We proposed to maintain the same volume for biomass-based diesel for 2014 and 2015 as was adopted for 2013, but we requested comment on whether to raise the biomass-based diesel volume requirement.

The EPA sought input on many aspects of the proposed rule, including the methodology for determining volumes. The comment period for the proposal ended on January 28, 2014, and we received over 300,000 comments. We are currently in the process of reviewing those comments and assessing new data that will help inform the final rule. We will take your input under consideration as we, in conjunction with the U.S. Department of Agriculture and the U.S. Department of Energy, work towards finalizing this rule. Your letter has been placed in the rulemaking docket.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Josh Lewis in the EPA's Office of Congressional and Intergovernmental Relations at lewis.josh@epa.gov or at (202) 564-2095.

Sincerely,

A handwritten signature in black ink, appearing to read "Janet G. McCabe", is written over a horizontal line.

Janet G. McCabe
Acting Assistant Administrator

JOHN THUNE
SOUTH DAKOTA

AL-14000-7361

COMMITTEES
AGRICULTURE, NUTRITION & FORESTRY
COMMERCE, SCIENCE & TRANSPORTATION
FINANCE

United States Senate

WASHINGTON, DC 20510-4105

<http://www.thune.senate.gov>

March 27, 2014

The Honorable Gina McCarthy
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Administrator McCarthy:

I am writing to express my concerns about the Environmental Protection Agency's (EPA) proposed New Source Performance Standards (NSPS) for residential wood heaters.

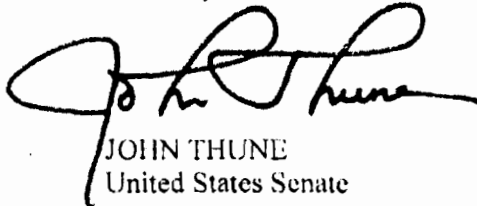
Despite the industry's investments to improve emissions and efficiency, I understand that the proposed NSPS will impose additional requirements and costs for wood burning heaters, and particularly wood stoves, warm-air furnaces, and hydronic heaters. These additional costs will have a disproportionate impact on South Dakota families who depend on wood stoves to heat their homes.

South Dakota and many other states are continuing to deal with a propane shortage, which has resulted in record-high propane prices. Many families turn to secondary sources of heat, such as wood stoves, when propane and heating fuel prices increase. The proposed NSPS will consequently increase the cost of a secondary source of heat that is reliable, renewable, and affordable for my constituents – particularly during long cold winters and during shortages of primary home heating fuel supplies.

I am also concerned about the potential impacts on job creators and small businesses. Forcing unattainable standards on manufacturers may force them to close their doors because they cannot afford the proper reconfigurations or pass the additional costs along to customers, making their products unaffordable for lower and middle income consumers.

I understand the importance of improving air quality. However, rather than imposing burdensome requirements on manufacturers, I strongly urge the EPA to work with Congress and manufacturers to reconfigure achievable NSPS that will also keep this source of energy affordable for consumers. Thank you for your attention and consideration to these concerns.

Sincerely,



JOHN THUNE
United States Senate

300 NORTH MAIN AVENUE
SUITE 10
SIOUX FALLS, SD 57104
(605) 274-9596

1414 WEST MAIN STREET
RAPID CITY, SD 57401
(605) 348-7551

300 SOUTH 1ST STREET
SUITE 101
ABERDEEN, SD 57401
(605) 225-8823



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUL - 2 2014

OFFICE OF
AIR AND RADIATION

The Honorable John Thune
United States Senate
Washington, D.C. 20510

Dear Senator Thune:

Thank you for your letter of March 27, 2014 to U.S. Environmental Protection Agency Administrator Gina McCarthy regarding the proposal to update the regulations governing new residential wood heaters. The Administrator asked that I respond on her behalf.

Our proposed updates to the new source performance standards for new residential wood heaters are intended to address significant air pollution in many parts of the nation, by substantially reducing the fine particle pollution of which wood smoke can be a contributing factor. This human health issue is a major concern of numerous states, tribes, and local jurisdictions.

Residential wood smoke can increase fine particulate matter emissions to levels that cause significant health concerns. Each year, smoke from wood heaters accounts for hundreds of thousands of tons of fine particles throughout the country, mostly during the winter months. Nationally, residential wood combustion accounts for 15 percent of noncancer respiratory effects, nearly 25 percent of all air toxics cancer risk from small sources, and 44 percent of total polycyclic organic matter emissions. For many counties, residential wood smoke either causes them to exceed the EPA's health-based national ambient air quality standards for fine particles or places them on the cusp of exceeding those standards. Partly because emissions from wood stoves occur near ground level in residential communities across the country, setting these new requirements for cleaner new stoves would result in substantial reductions in exposure and meaningful improvements in public health.

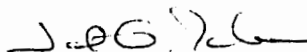
I would like to emphasize that the EPA's proposed regulation would only affect new stoves; existing stoves would not be covered by the rule. As required by Section 111 of the Clean Air Act, the EPA proposes performance standards based on the "best system of emissions reduction" (BSER), considering costs and other impacts. The Clean Air Act also requires the EPA, as we are doing here, to periodically review the standards and update them, as necessary, to reflect current technology.

The EPA's proposed determination is that BSER is already met by a significant portion of the marketplace and is fully demonstrated commercially. Performance has improved considerably since we last set performance standards for new residential wood heaters, and the proposed standards would bring all newly manufactured stoves up to the performance levels that the best systems are already achieving. We expect greater, not less, consumer choice as manufacturers compete in the marketplace to offer the best products.

Furthermore, the health benefits of these proposed regulations are expected to be much greater than the cost to manufacture and use cleaner, lower-emitting appliances. In our initial analysis, we projected annual health benefits of \$1.8 to \$4.2 billion, compared to estimated costs of \$15.7 million. We also forecast that new heaters would see a price increase of between 2 and 6 percent. Our proposal and associated estimates were thoroughly reviewed by the Office of Management and Budget, the Small Business Administration, and other government offices prior to proposal. The comment period on the proposal recently closed, and we are currently reviewing the extensive comments we received.

Again, thank you for your letter. If you have further questions, please contact me, or your staff may contact Kevin Bailey in the EPA's Office of Congressional and Intergovernmental Relations at bailey.kevinj@epa.gov or (202) 564-2998.

Sincerely,

A handwritten signature in black ink, appearing to read "J. McCabe", with a stylized flourish at the end.

Janet G. McCabe
Acting Assistant Administrator

AL-14-000-4759

Congress of the United States
Washington, DC 20515

January 24, 2014

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Administrator McCarthy:

We write to express our concerns with some of the unintended consequences associated with the Renewable Fuel Standard (RFS) and the damage it may have on the U.S. economy, if left unchanged. Accordingly, we support your recent efforts to avoid the blendwall by reducing the amount of ethanol in gasoline to below 10 percent.

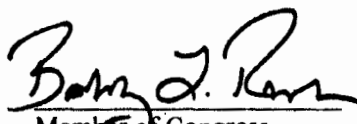
As you may know, more than 40 percent of the nation's corn crop is used for ethanol, an increase from nearly 15 percent when the RFS was created. The strong demand for ethanol has resulted in higher prices for corn and higher prices for feed and food, which was especially severe during last year's drought. As a result, last year, the average U.S. family of four faced a \$2,000 increase in food costs due to higher corn prices. To that end, as we embark upon a new year, we are faced with another unintended consequence associated with the RFS. While renewable fuel requirements are increasing yearly, gasoline demand in the U.S. is steadily declining.

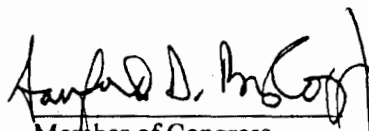
This dynamic has created the E10 blendwall - the point at which more renewable fuel is required to be blended than can be safely consumed in the United States, due to fundamental constraints imposed by fueling infrastructure and problems of gasoline engine incompatibility with increased ethanol blends. With a few exceptions, automobiles are built and warranted for a 10% ethanol blend, and the same goes for small engines, such as boats, lawnmowers, and motorcycles. Research by the Coordinating Research Council demonstrates that the engines of at least 5 million vehicles on the road today could be at risk of damage due to E15.

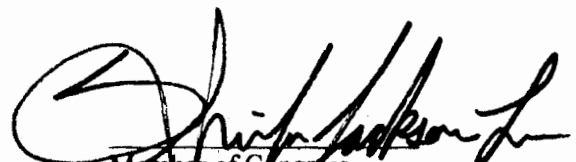
These unintended consequences associated with the RFS can be averted. We support your recent actions regarding the RFS and we ask that you continue to use your administrative authority to avoid the blendwall. By lowering the mandate down to below 10% in your final rule, the EPA will align the percentage with gasoline market conditions and reflect the concerns of the American people. Working together, we can ensure that the U.S. economy runs like a machine, creates and retains family-wage jobs in America, and helps to lower food costs for the American people at all economic levels. Your actions will also help to ensure that we continue to safeguard the environment, maintain consumer protection and improve the quality of life throughout our country.

We thank you for your attention to this matter, and we look forward to your timely response.

Sincerely,


Member of Congress
Bobby L. Rush


Member of Congress
Sanford Bishop


Member of Congress
Sheila Jackson Lee

Wm. Lacy Clay

Lacy Clay
Member of Congress

Al Green

Al Green
Member of Congress

Yvette D. Clarke

Yvette Clarke
Member of Congress

Marcia Fudge

Marcia Fudge
Member of Congress

Cedric Richmond

Cedric Richmond
Member of Congress

Steven Horsford

Steven Horsford
Member of Congress

Berni H. Thompson

M V

Marc Veasey
Member of Congress

Donald M. Payne Jr.

Donald M. Payne

John Lewis



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

MAR 18 2014

OFFICE OF
AIR AND RADIATION

The Honorable Bobby L. Rush
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Rush:

Thank you for your letter dated January 24, 2014, to U.S. Environmental Protection Agency Administrator Gina McCarthy regarding the 2014 volume requirements under the Renewable Fuel Standard (RFS) program. The Administrator has asked me to respond to you on her behalf.

On November 29, 2013, the EPA published in the *Federal Register* a proposed rule that would establish the 2014 RFS volume standards. In developing the proposed volumes, the EPA used the most recent data available and took into consideration multiple factors. Our analysis included an evaluation of both the expected availability of qualifying renewable fuels as well as factors that, in some cases, limit supplying those fuels to the vehicles and equipment that can consume them. On the basis of our analysis, we proposed to reduce the required volumes from statutory levels for 2014 for cellulosic biofuel, advanced biofuel, and total renewable fuel. We proposed to maintain the same volume for biomass-based diesel for 2014 and 2015 as was adopted for 2013, but we have requested comment on whether to raise the biomass-based diesel volume requirement.

I want to emphasize that this is a proposal, and that the EPA has requested comment on many aspects of the proposed rule, including the methodology for determining volumes. The EPA also expects to receive additional data before finalizing the rule. We will take your input under consideration as we, in conjunction with the U.S. Department of Agriculture and the U.S. Department of Energy, work towards finalizing this rule, and your letter has been placed in the rulemaking docket.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Josh Lewis in the EPA's Office of Congressional and Intergovernmental Relations at lewis.josh@epa.gov or (202) 564-2095.

Sincerely,

A handwritten signature in black ink, appearing to read "Janet G. McCabe".

Janet G. McCabe
Acting Assistant Administrator

AL-14-000-7504

United States Senate
WASHINGTON, DC 20510

March 27, 2014

Ms. Gina McCarthy
Administrator, US Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20024

Dear Administrator McCarthy:

We are writing to share some concerns regarding the EPA's proposed revision of the New Source Performance Standard (NSPS) for Residential Wood Combustion, which regulates emissions of solid fuel burning appliances. First, however, we would like to point out that we support the EPA updating its regulations on particulate matter emissions from wood stoves for the first time since 1988. Woodstoves on the market today greatly exceed the current EPA standard for emissions. These new standards are of significant interest to our Maine constituents who share your Agency's concern for improvement in air quality and human health.

The purpose of the rule is to lower particle pollution levels and diminish the associated health risks. The proposed rule, however, fails to fully consider practical, economic, and environmental realities and could end up impairing its own laudable objectives. Rather than reduce harmful emissions, the new standards would make it prohibitively expensive for many homeowners to purchase new, more efficient stoves.

The proposed rule would not affect existing woodstoves and other wood-burning heaters in peoples' homes, and many will continue to use their pre-1988 stoves, which are one of the primary sources of particulate matter emissions in the country. Results of a 2008 study in Maine showed 77 percent of respondents had woodstoves over 24 years old. It would be appropriate for EPA to consider, as part of this rule, implementing incentives that would encourage homeowners to remove their old stoves. Greater emission reductions would be realized with such an approach.

Unlike the current rule, which has been in effect since 1988, the proposed standard provides no distinction between catalytic and non-catalytic woodstoves. Yet, there are significant differences between catalytic and non-catalytic woodstoves, and those differences play a dominant role in the woodstove marketplace. Non-catalytic stoves are both less expensive and easier to maintain. Not surprisingly, therefore, many Maine residents have purchased non-catalytic woodstoves. If, as the proposed rule contemplates, both catalytic and non-catalytic woodstoves were held to the same standards, it would create a very real risk that non-catalytic woodstoves would simply be eliminated from the marketplace.

In considering the proposed rule, we sought the views of a Maine woodstove manufacturer which is concerned that the standards in the proposed rule will substantially increase manufacturing costs – costs that must be passed on to the consumer, thus increasing retail prices. Increased retail prices, of course, will discourage new purchases and have the contradictory effect of causing existing owners of old woodstoves to simply hold on to their older stoves longer. As we have noted, the available data on woodstoves indicate that these purchases have staying power – once a woodstove has been purchased, it may stay in place for a quarter century or more. Given this marketplace reality,

great care should be taken to help consumers use their wood stoves properly. Consumers making small changes in operation of their stoves can greatly reduce emissions.

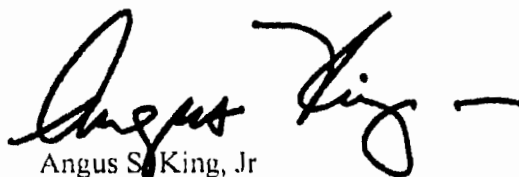
For emissions to be reduced in the foreseeable future the woodstove standards need to be reasonable; they should take into account and reflect the practical realities of the marketplace. They must not result in new stoves that are prohibitively expensive. The consumer must view newer, cleaner stoves as an economic benefit both in the short term and the long term. Without that, neither the EPA nor the woodstove industry will be able to achieve the health objectives we all share.

Thank you for the opportunity to comment on the proposed rule.

Sincerely,



Susan M. Collins
United States Senator



Angus S. King, Jr.
United States Senator



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUL - 2 2014

OFFICE OF
AIR AND RADIATION

The Honorable Susan M. Collins
United States Senate
Washington, D.C. 20510

Dear Senator Collins:

Thank you for your letter of March 27, 2014 to U.S. Environmental Protection Agency Administrator Gina McCarthy regarding the proposal to update the regulations governing new residential wood heaters. The Administrator asked that I respond on her behalf.

Our proposed updates to the new source performance standards for new residential wood heaters are intended to address significant air pollution in many parts of the nation, by substantially reducing the fine particle pollution of which wood smoke can be a contributing factor. This human health issue is a major concern of numerous states, tribes, and local jurisdictions.

Residential wood smoke can increase fine particulate matter emissions to levels that cause significant health concerns. Each year, smoke from wood heaters accounts for hundreds of thousands of tons of fine particles throughout the country, mostly during the winter months. Nationally, residential wood combustion accounts for 15 percent of noncancer respiratory effects, nearly 25 percent of all air toxics cancer risk from small sources, and 44 percent of total polycyclic organic matter emissions. For many counties, residential wood smoke either causes them to exceed the EPA's health-based national ambient air quality standards for fine particles or places them on the cusp of exceeding those standards. Partly because emissions from wood stoves occur near ground level in residential communities across the country, setting these new requirements for cleaner new stoves would result in substantial reductions in exposure and meaningful improvements in public health.

I would like to emphasize that the EPA's proposed regulation would only affect new stoves; existing stoves would not be covered by the rule. As required by Section 111 of the Clean Air Act, the EPA proposes performance standards based on the "best system of emissions reduction" (BSER), considering costs and other impacts. The Clean Air Act also requires the EPA, as we are doing here, to periodically review the standards and update them, as necessary, to reflect current technology.

The EPA's proposed determination is that BSER is already met by a significant portion of the marketplace and is fully demonstrated commercially. Performance has improved considerably since we last set performance standards for new residential wood heaters, and the proposed standards would bring all newly manufactured stoves up to the performance levels that the best systems are already achieving. We expect greater, not less, consumer choice as manufacturers compete in the marketplace to offer the best products.

Furthermore, the health benefits of these proposed regulations are expected to be much greater than the cost to manufacture and use cleaner, lower-emitting appliances. In our initial analysis, we projected annual health benefits of \$1.8 to \$4.2 billion, compared to estimated costs of \$15.7 million. We also forecast that new heaters would see a price increase of between 2 and 6 percent. Our proposal and associated estimates were thoroughly reviewed by the Office of Management and Budget, the Small Business Administration, and other government offices prior to proposal. The comment period on the proposal recently closed, and we are currently reviewing the extensive comments we received.

Again, thank you for your letter. If you have further questions, please contact me, or your staff may contact Kevin Bailey in the EPA's Office of Congressional and Intergovernmental Relations at bailey.kevinj@epa.gov or (202) 564-2998.

Sincerely,

A handwritten signature in dark ink, appearing to read "Janet G. McCabe", with a stylized flourish at the end.

Janet G. McCabe
Acting Assistant Administrator